

**LABOUR  
BELIEVES  
IN  
BRITAIN**

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This Statement is issued on the authority of the National Executive Committee of the Labour Party.

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The Labour Party Executive welcomes the widest discussion of the Statement not only by the Labour Movement but by all the men and women of Britain who at the next General Election will have the great responsibility of deciding upon the policy they wish the country to follow.

APRIL 1949.

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# LABOUR BELIEVES IN BRITAIN

A Statement on Policy for Discussion at the  
**LABOUR PARTY CONFERENCE**

## OUR SOCIALIST FAITH

**W**E of the Labour Party believe in Britain. We believe that the enterprise of our people will create a new age of peace and plenty, opportunity and justice.

The British people have worked together to rebuild the nation and its economy after the most destructive conflict in history. But the people have not been content merely to restore Britain as it was before the war. At the last General Election they decided that Britain should be rebuilt as a socialist nation.

To this end we seek freedom from the enslaving material bonds of capitalism. But socialism is not bread alone. Material security and sufficiency are not the final goals. They are means to the greater end—the evolution of a people more kindly, intelligent, co-operative, enterprising and rich in culture. We socialists set out to create a community that relies for its driving power on the release of all the finer constructive impulses of man.

### **The Party of the Nation**

The beginning of this century saw the foundation of the Labour Party and the election of its first two representatives to Parliament. From that time on,

the Party has been solidly based on our great Trade Union and Co-operative Movements. But it has attracted to its ranks men and women from all occupations and from every sphere of life, building a powerful unity of workers by hand and brain. It has given them a common purpose, high and at the same time practical. The breadth of its support in the community makes it the truly national party in Britain.

Labour men and women believe that the socialist society should be grounded four-square on these basic principles:

**FIRST**, we believe that inequality of opportunity and gross inequality of wealth are both morally unjust and economically crippling. We have set out, therefore, to establish equality of opportunity for all and to abolish extremes of wealth and poverty.

**SECOND**, we believe that the economic destinies of the people should not be dictated by a privileged minority of owners. We have set out, therefore, to place economic power in the hands of the nation.

**THIRD**, we believe that capitalism has, through inefficiency and unemployment, wasted the capacity



to produce that the machine has put in our hands. We have set out, therefore, to enlarge the productive power of the nation, to banish mass unemployment, and so to raise the standard of life of the people.

FOURTH, we believe that only by creating a flourishing and sensible democracy, as virile in industry as in the council chamber and Parliament, can we enhance human dignity and individual freedom.

We should all build on these principles in our everyday lives: in our workplaces, by producing more and better goods, and in our leisure hours, by broadening and enriching community life. For the socialist society is one in which all citizens have obligations to fulfil as well as rights to enjoy.

## The First Four Years

Our Party has now had nearly four years to put its principles into practice. The people entrusted us with power at a critical moment in Britain's history. Our nation had emerged from battle victorious, but war had eaten away our wealth. Soon after we took office, Lend-Lease ended abruptly and world prices have risen steadily against us. Help has been honestly earned and thankfully received from our friends in the United States and the Commonwealth. But we have had to fight our way forward every inch.

Today the nation is winning through. Here are some of the first victories of peace:

### ● Work

Production higher and unemployment lower than ever before in peacetime.

### ● Health

Fair shares of necessities. The people, and especially the children, healthier than ever. Record low figures for infant and maternal mortality. Our new National Health Service is the envy of the world.

### ● Homes

By the end of 1948 three and a quarter million people rehoused. After the jerry-planned jerry-building of a century, Britain builds fine homes fit for the families who live in them.

### ● Social Security

We have abolished the inhuman Poor Law which had existed since Elizabethan times. In its place we have put the most comprehensive system of social security ever created.

### ● Education

School-leaving age raised. Children brighter and bonnier. Every child getting a fair start in life.

Most of us have grumbles, as hard-working people always do. But we have good grounds for satisfaction in comparing the state of our nation at the beginning of 1949, three and a half years after the war, with the depths to which it had sunk at the same period after the first World War. Here is how *then* compares with *now*.

Then, over one and a half million people, or 15 per cent of the insured population, were unemployed. This time, less than 2 per cent.

Then, production was well below prewar levels. This time, it is rising steadily above prewar.

By then, in three and a half years, 157 million working days had been lost in postwar trade disputes. This time, the total reached only 8½ million.

By then, only about 160,000 new houses had been built. This time, nearly 600,000 new houses have been built, and another quarter of a million families housed by war-damage repairs and adaptations.

Then, profiteering led to slump, and great wealth for the few stood in savage contrast to poverty for the millions. Now, our industries are going at full capacity, and their products are fairly shared by everyone.

Then, the social services were slashed by the Geddes Axe. Now, they have been expanded to the highest level ever reached.

## The People's Achievement

Britain's achievement this time is the achievement of the people, and not that of the Government alone. Acts of Parliament do not dig coal, plough fields, or tend machines. It is the people of Britain who have, by hard work, good sense, and self-discipline, outfaced disaster and brought forth recovery. Workers, managers, professional people, farmers and housewives—all have joined in this mighty effort.



Yet the Labour Government may very justly claim a full share of the credit. Britain's people were as ready to do great deeds in peace after the first World War as after the second. But then Britain was handed over to a Tory-dominated Parliament of hard-faced business men who had done well out of the war. Employment turned to unemployment, effort to apathy, and hope to ashes.

If we have done better this time, despite the greater difficulties the nation has had to face, it is largely because Labour has given the British people a leadership more worthy of them. Labour has charted the course to recovery, and set the people free to get on with the job. The Labour Movement—the Labour Party, the Trade Unions, and the Co-operative Societies—is a people's movement, and it knows that the people will do their part, if they are given the opportunity and shown the way ahead.

## Britain can't trust the Tories

The Tories want another chance at the next General Election. But have they learned anything since 1918? They do not talk or act as if they had. They have shouted against essential controls. They resented the export drive. They have opposed the profits tax, the increased surtax and the Special Contribution. They voted against the National Health Service Bill at both second and third readings. It has been hinted that wages were too high and that Labour acted too hastily in increasing old age pensions and paying family allowances. Some Tories have demanded cuts in food subsidies and social services. They want to restore iniquitous sections of the 1927 Trade Disputes Act which Labour repealed. In short, they are the Party of No-Men. They are totally bankrupt of constructive policy; they are not even competent as a Parliamentary Opposition.

Their ideas for the present and the future can in no way inspire the hope and confidence which Britain requires. Some Conservatives actually see salvation in a large pool of unemployed workers. 'Empty bellies,' one of them has said, 'are the one

thing that will make Britons work.' The advocates of this madcap policy fail to see that to adopt it would be to sign the nation's death-warrant. The only ones to gain from such a policy would be the Communists, who thrive on social misery.

The people of Britain must therefore face the risks they would run if they were to return a Conservative Government. No doubt, many Conservatives have the best of intentions. No doubt, many of them are worthy and admirable people. But their policies are shot through with danger for us all; they could—too easily—bring Britain to disaster.

## The Second Five Years

Labour must offer a better way—for the second five years a programme, practical yet far-reaching, such as the British people deserve. It must meet the pressing and immediate needs of the hour, and yet bring us a stage further towards our ultimate goal of socialism. We must be bold and imaginative, without promising what we cannot achieve.

We must continue to face up squarely to the issues which concern our people in everyday life. THE COST OF LIVING, FOOD, HOMES AND WORK—these are the touchstones which the nation will apply to our proposals. They are the touchstones we must ourselves apply in our Conference deliberations.

We must challenge the imagination of the people with the vision of better days to come—days when Britain will emerge from its trials, more vigorous and adventurous than it has ever been in its long and proud history! Here are the signposts for the road ahead, which our Conference must consider:

- I. Up with Production.
- II. Agriculture and Rural Life.
- III. Square Deal for Consumers.
- IV. Social Services for the People's Needs.
- V. Pioneer for World Progress.



# I.—UP WITH PRODUCTION

**B**RITAIN'S future depends on higher production. The wealth of Britain is only what we ourselves create. Unless we continue to increase production as we have done in the last four years, we cannot improve or even maintain our present standard of living; our people cannot be fed or clothed or rehoused; the social services cannot advance or even survive; and our national freedom and independence cannot continue.

## Britain's Four Year Plan

That is why we have made our Four Year Plan to expand output by one-third above prewar by 1952. Nothing less will do if Britain is to earn a good standard of living. Nothing less will do if Britain is to pay its way in international trade. The nation's biggest economic problem is our balance of payments with the rest of the world, and above all with the United States and Canada. In the coming years we must strengthen our export drive. Increasing efficiency in our engineering and other great export industries is needed to bring down costs and improve quality at a time when it will become more difficult to hold export markets. Only so can we pay for our vital imports of food and materials, along with the nations of Western Europe with whom we are co-operating.

This is more than just a plan; it is a challenge! This is no time for sitting around! We must be up and doing! There is a tremendous fight ahead, calling again for the qualities of endeavour and endurance which have carried us so far. To meet this challenge bravely and proudly, the help of all the useful people will be needed—whether they work in public or private enterprise, whatever their position in the workaday world may be. By hard work, by sacrifice for the common good, and by continuing along the road we have travelled since 1945, we shall win independence for our country and set it on its feet again.

**There can be no advance without planning.** Economic planning is essential to ensure the public interest always comes first: that is a

central principle of the Labour Party's policy. But we will have no truck with totalitarian or strait-waistcoat planning. Our aim is to lead the world in evolving democratic planning. By that we mean the continuing consent and co-operation of the people in the objectives and methods of the plan. We mean that both public and private enterprise shall serve the public interest; that both shall be enterprising with plenty of room for vision, energy and initiative, and that the spirit of democracy shall permeate all our institutions.

**There can be no advance without an effective partnership between Government and industry.** To this end, the machinery of government must be kept constantly up to the mark, never hampering but always stimulating enterprise. Britain has the best civil service in the world. Civil servants have served the nation well in these postwar years. They have become increasingly skilful in dealing with economic problems. But we must never be complacent, or neglect the need for reform in methods and administration.

**There can be no advance without the participation of the people.** We stand for the extension of democracy in politics. The House of Lords is being denied the power to veto the will of the people. But democracy is not yet as vigorous a motive force in the whole of our community life as it is in politics. Bigness is still a threat to democratic organization. The authorities which control the apparatus of our common life too often appear as remote and impersonal. Labour believes that the institutions of our society will flourish best when they are run with the participation of the people themselves. Our aim is to perfect democracy so that all the people regard government and industry not as 'they' but as 'we.'

For democracy to thrive, the Government must at all times take the people into its confidence. Through Parliamentary debates, by Ministerial speeches and through the public information services, this Government has discussed and explained our national problems. The British people have



become better informed about the facts of trade and production than any other nation. This Government has not feared to tell the people the unwelcome truth that going without things was part of the necessary process of recovery. We warned the nation of these things during the election. We have hammered the facts home ever since. Telling the People—even telling them what they do not want to know—enables the nation to summon forth its strength, conscious of its needs and aware of its resources.

## Democracy in Industry

Industrial democracy is advancing. Increasingly, the Government consults with industry and industry puts its own difficulties before the Government. Development Councils, Joint Production

Committees, Pit Committees and Works Councils are growing in importance in our industrial life. But these are only a beginning. More has to be done. The worker is still too often treated as a mere cog in the machine. Management must therefore be willing to bring workpeople into fuller consultation. And the worker must be ready to shoulder responsibility as well as claim rights. The Trade Unions have further to equip and train their members for service to industry and the country.

We have much to learn and do before the worker has that status in industry which is fully compatible with the dignity of labour. To extend industrial democracy still further and to inspire greater pride in work is an imperative aim of Labour policy.

# Work For All

In 1945, Labour told the nation it was determined there should be full employment as the first essential for increased production. That pledge has been kept. Full employment does not mean that everybody is in a job all the time. There have been, and always will be, some people changing jobs. There are some disabled for whom work has not yet been found. There are the pockets of unemployment in the Development Areas and elsewhere. But under the direction of the Labour Government, employment has been higher than ever in peacetime. Ninety-eight per cent of the insured population has been at work. That is a record of which the nation can be proud.

Labour does not under-estimate the difficulties ahead. Constant adaptability in the British economy as a whole and in each individual industry will be necessary to cope with changes in world economic conditions. The Government must be constantly prepared to deal with any emergency.

The means Labour will use to maintain full employment are as follows:

1. **Purchasing power and production must march together.** The money in our pockets and the supply of goods in the shops must be kept in step with each other. Up to now, our greatest danger has not been too little money, but too few goods. In the past three years we have therefore deliberately kept purchasing power within limits. As we step up production this situation will slowly change. When the need arises the Government must be ready to put more money into the pockets of the people. It will be necessary to incur a temporary budget deficit if there is too little purchasing power, just as we aim at a budget surplus when there is too much.
2. **Women in Employment.** Labour stands by the principle of equal pay for equal work by women, and will encourage the application of the principle when the nation's economic circumstances allow it.
3. **Finance must continue to be the servant and not the master of employment policy.** Control of investment and public ownership of the Bank of England safeguard the industry of the nation



against the whims of financiers who brought misery to millions in prewar days. This power over the nation's finances should remain in the hands of the public and be further strengthened wherever necessary.

4. **Publicly owned industry must be ready to develop when employment policy demands it.** In the past, the first signs of a depression have coincided with cuts by private management in their orders for new machinery, buildings and other equipment. Engineers and builders have been thrown out of work; their purchasing power has fallen and the spiral of full depression has been set in motion.

The Government will encourage private enterprise to go on ordering new equipment if signs of a depression should once more appear. Yet in the last resort private investors cannot be compelled to invest if they are determined not to do so.

But, when needed to maintain full employment, public investment can be expanded. The Government will be ready to increase its own orders for new equipment. Local authorities and other public bodies will be encouraged to add their own projects to the nation's anti-slump effort. Above all, plans can and will be made in advance by the socialised industries for stepping up investment in order to prevent any slump developing. This public sector of industry is of especial value as a protection for the nation against economic blizzards.

The scope is immense for new and useful investment in these industries. They need to improve their equipment: sink new pit shafts and modernize steel works to make more steel more cheaply, electrify new stretches of railway and construct new generating plants and gas-works. They need to brighten up stations and refreshment rooms and produce new labour-saving devices for more kitchens. The Colonial Development Corporation and the Overseas Food Corporation will open up the resources of the more than forty colonial territories scattered over the world. The National Coal Board and the Gas Boards will wrest new wonders from the manifold by-products of coal. New processes and products will be pioneered. The National Research Development Corporation will take

up for the public valuable new inventions which would otherwise be kept in cold storage.

Thus, there is work in plenty to be done in these, the public industries, in adding to the value of the people's own property. Much of this work will be done in any case. But it all can and should be speeded up if slump threatens.

5. **Special measures for areas of special need.** Before the war, Conservative inefficiency and callousness inflicted untold suffering on the people of the distressed areas. Even now there are pockets of unemployment inherited from a Tory past. But already by the middle of 1947 there were 147,000 more jobs in Development Areas than when Labour took over; and 602 new factories and extensions had been completed by the end of 1948. What has been begun so well must be vigorously continued. Wherever necessary, the nation must be ready to start up new factories and new public enterprises.

Shipbuilding and ship-repairing is one vital industry on which many depend in the Development Areas. We remember how many shipyards were ruthlessly closed in the bleak 'thirties. Labour is determined that the tragedy of Jarrow must never be repeated in any shipbuilding district.

The world's great losses of merchant ships during the war are being replaced. When this task is completed, the shipbuilding industry will face special problems. In order to aid re-organization, a Development Council will be established for shipbuilding and ship-repairing. But if private enterprise fails, Labour will not hesitate to take all steps necessary to ensure that this national asset, British shipbuilding, is never again neglected.

Britain must not again be placed in wartime jeopardy by shortage of modern ships needed to bring in vital food and materials. The Government will, if it is necessary, take special steps to enable the shipping industry to equip the mercantile marine with up-to-date ships built in British yards. All ships should have good conditions for their crews and be made safe. The Government has taken steps to ratify International Maritime Conventions and Labour appreciates the need for keeping the Merchant Shipping Acts up to date in all respects.



# The Socialised Industries

In 1945, Labour pledged itself to bring under public ownership the coal, gas and electricity industries, the railways, inland waterways, road transport and airways, the Bank of England and iron and steel. So far, all but iron and steel have been socialised. This vital industry has been controlled far too long by a small group of people answerable only to themselves. Steel determines the level of employment and sets the scale of the nation's production. In a democracy such power must belong to the people. The Iron and Steel Bill now before Parliament is the last of the great nationalisation measures promised in 1945.

'Socialism,' said *Let Us Face the Future*, 'cannot come overnight, as the product of a week-end revolution.' Blueprints had to be converted into Bills, often of great complexity. Each Bill was argued through Parliament, amended in detail, and finally placed on the Statute Book. Then new systems of administration were built up. Members of the Public Boards were chosen for their capacity to serve the public interest. National, regional or divisional and area organizations were created; sometimes, as in the coal industry, where there was no such organization before.

It will take time and hard work to perfect what has so far been done in these industries. But great changes are already being made. Coal is the outstanding example. Here Labour took over at a critical time. Output was falling. Manpower was short. For years every miner's wife had sworn that her son should never work in the pits. But since nationalisation manpower has increased. In 1948 production of deep-mined coal was 15 million tons higher than in 1946—an increase of over 8 per cent since nationalisation. Plans of capital development for many years ahead are being drawn up or put into operation. Mechanization is advancing as never before. New methods of consultation between workers and management are being tried. Wages have gone up, and for the first time in history the miners of Britain are getting a square deal. Britain's basic industry has been saved from decline and demoralization. A proud, vigorous, useful future now lies before it.

## Drive and Public Spirit

At the outset, it was inevitable that much should be done from the centre. Matters of basic principle had to be settled for each industry as a whole, and the arbitrary boundaries imposed by private ownership redrawn. But, as regrouping is successfully accomplished, decentralization will become more and more practicable. Central control is vital for industry-wide planning. But it need never take away from the man in charge on the spot the power to make necessary decisions. Local diversity is not something to be frowned on; it is rather the forcing ground for initiative and individual enterprise. Drive, public spirit and scope for individuality from bottom to top—that is Labour's aim in these basic industries upon which the greatness of our nation depends.

New leadership, competent and public-spirited, must have its chance to emerge. Our aim is that every person with ability should have an equal opportunity to rise to the highest posts. A big start has been made in training men and women from the ranks to take their place, along with qualified people drawn from outside, in the responsible positions for which their capabilities fit them. This must continue.

Nationalisation Acts provide for the setting up of consultative committees. But patient effort is needed to make them work well. Trade Unions have a great responsibility to educate their members in production problems, so that they can take the fullest part in formal and informal consultation at all levels. The Boards have no less a responsibility to select for managerial posts those who appreciate that people work best when they are respected and consulted as responsible human beings. Managers should always be ready to give information about policy and deal speedily with men's suggestions and criticisms.

Workers and managers must each have their proper say. But so, too, must the consumers, who need lower prices and better quality. Because all of us are consumers, with a common rather than sectional interest, we are liable to forget our place in the running of these great concerns. The



Boards should welcome suggestions and criticisms from the public; the Consumers' Councils should be built up into powerful organizations for the protection of the consumer. Every housewife and

her man should know where to go for making suggestions, seeking explanations and righting grievances. The voice of the consumer must ring out with strength and emphasis.

## Encouragement for Enterprise

The managers and owners of private industry are trustees responsible to the nation; in this sense all business is the nation's business. We cannot allow anyone to pursue his own selfish interest guided solely by the profit motive. There can be no sheltering behind price rings and rigged markets. There must be no feather beds for those who fail the nation; and this applies to both private and public enterprise. All employers have the duty to observe proper standards of wages and welfare and to provide for joint consultation.

On these conditions Labour wants to continue and extend the fruitful partnership between private and public industry and the State, begun during the last few years. Many manufacturers and business men have sunk their political opinions and have honourably co-operated to make necessary but at times irksome controls effective, and to ensure the success of our national production and export drives.

In return, they have shared with the nation as a whole the benefits of planning, full employment and the maintenance of purchasing power—and the sense of a great job well and quietly done. Some employers were hit almost as severely as the workers by the tragedies after the first World War. How different the story this time! Wiser policies have enabled private industry to produce more than ever before.

But if national policy ensures a high level of activity for private industry, the nation has the right to demand that it shall be efficient. Many of our firms are as efficient and well managed as anywhere in the world. But there are still far too many whose backwardness drags down the general level of production. One immediate national objective is to raise the standards of less efficient firms to the level of the best.

Industry needs emancipation: it needs freedom from the heavy hand of financiers. It needs

freedom from the stranglehold of restrictive monopolists. Labour's aim is to give a fair chance to all those in industry, including the small concerns which have been the most ruthlessly exploited by monopoly capital. Britain's industry is still largely composed of small establishments, despite the increase in the number of large units. Of Britain's 51,000 places of manufacture employing more than ten people, 49,000 have less than 500 workers.

Each section of industry, and each subsection, needs individual examination and treatment. But the broad principles which Labour intends to apply are as follows:

1. **Economic Planning.** The Government must accept responsibility for economic planning for the nation as a whole. Only by planning can we maintain full employment, achieve victory in the battle of the balance of payments and generally make sure that industry serves the nation's needs. Controls over capital investment, distribution of industry, industrial building, and foreign exchange will be required as permanent instruments of planning in a thriving national economy.

But many controls are made necessary only by shortages. These controls—above all, price controls and rationing of consumer goods—will be maintained in the interests of fair shares as long as acute shortages exist. Labour recognizes, however, that behind certain controls it is possible for the inefficient producer to lead a sheltered existence. Efficient private enterprise thrives on a proper and beneficial competition. Many controls have already been modified. As shortages cease, we shall continue to prune and remove controls wherever it is in the public interest.



If such a policy is to be effective, it calls for careful timing and firmness in the face of criticism. Too early a relaxation, before supplies are adequate, would lead to price increases and justifiable complaint. If, however, timing is correct and supplies can more than meet demand, prices should fall; thus the public and the efficient producer will benefit. But an outcry from some less efficient producers and distributors is certain. Labour is determined that decontrol, when appropriate, shall be carried through without fear or favour with the national interest as the sole criterion.

2. **Development Councils.** Labour wants to see management, workpeople, the consumer and Government joining forces in industrial development. The Working Parties were a first step in this direction. Development Councils followed from these. These Councils, composed of employees, employers and independent members, should become increasingly powerful aids to the improvement of efficiency in the privately owned industries. They will extend such common services as research, statistics, technical education, advice on design and accounting, to all concerns in an industry, including the smaller firms which have not had the advantage of such services in the past. Where appropriate, the Government will, subject always to Parliamentary approval, apply the compulsory powers at present possessed in order to create Development Councils in particular industries. The powers of the Councils will be strengthened if found necessary.

Cotton is an outstanding example of a great industry, urgently in need of reorganization, where the Development Council method is being tested. The nation cannot allow this industry to fall back into prewar muddle and distress.

3. **Science and Industry.** One of the proudest achievements of the Labour Government is that it has given science a new deal in the service of mankind. Labour intends to press ahead the policies which have been so successful since 1945. First, we shall continue to aid fundamental research in the universities and State-aided institutions, without interfering in any way with the full freedom of science. Unless pure research is flourishing, the whole of science will wither.

Second, we shall maintain support for the training of more scientists and technicians. Science faculties and technical colleges should be expanded. In all the main industrial centres of Britain there should be technical colleges ranking with the best in the United States, Switzerland and other countries. They will help to train more engineers, draughtsmen and technicians of all kinds, needed more and more not only in British industry but in the development of the great resources of the Colonies and other overseas territories. Third, the new and important social sciences, concerned with human relations, will continue to be encouraged.

Fourth, the drive to get the results of research applied in practice by industry will be sustained. Here is the greatest weakness: in making use of science in industry, Britain still lags behind some of its competitors. Determined that Britain shall catch up, the Government will continue its support for the Department of Scientific and Industrial Research, for the Medical Research Council and Agricultural Research Council, for the Government research stations and for the increasingly important co-operative Research Associations in individual industries. The National Research Development Corporation will exploit for the public benefit valuable inventions which private industry neglects. The links between the research scientist and the smaller industrial concerns will be strengthened through Development Councils and in every other way possible. Far too many firms just do not know, and have never tried to find out, what technical advance has already made possible. They should, to keep up to date with new ideas and methods, employ more scientifically trained people. The research technician must not be ashamed to become an ambassador of ideas. The small firms, both employers and workers, must be persuaded to ask for his help. Our aim is to clear the two-way channel of information between science and industry.

4. **Technical Assistance for Industry.** The Government will continue to aid and advance the work of the British Institute of Management and the Production Efficiency Service of the Board of Trade. In order to improve design, which still too often falls below the best world standards, the Council of Industrial Design will be fully



supported. Following a close scrutiny of its work, the British Standards Institution will be expanded and, if necessary, its organization strengthened so that it can play a larger and more positive rôle. Through such bodies, industry should be provided with an advisory service no less effective than that already in existence for agriculture.

#### **5. Public Provision of Equipment and Capital.**

Often the small manufacturer has real difficulty in getting his costs down because his resources do not allow him to acquire new plant and equipment, or to modernize what he already has. The Government can legitimately come to the aid of these small manufacturers; but such aid must be given on sound business lines. There can be no question of subsidising inefficient management or spoon-feeding those who will not help themselves.

Such aid will take two forms:

First, the Government will in suitable cases provide manufacturers with buildings, general purpose machinery, steam heat and other facilities. These will be rented or sold on hire-purchase terms. In the Development Areas many publicly owned factory buildings have already been leased to manufacturers. This principle will be extended wherever wise public policy demands it.

Second, approved capital expenditure will be encouraged by the direct supply of finance. The powers and facilities of the two public finance corporations will be expanded.

#### **6. Competitive Public Enterprise.** The proposals made above will not, in themselves, be enough to ensure efficiency throughout industry. Where private enterprise fails to act in the public interest, the nation must have the power to step in.

Labour, therefore, makes three proposals. First and foremost, the Government should have the power, wherever the need is clearly shown, to start up new public enterprises. Second, the existing power to take over inefficient concerns which are woefully failing the nation should be continued. Third, the Government should be prepared to acquire suitable existing concerns where these are willingly

offered for sale. All public enterprises will compete fairly and squarely in the public interest with private firms. These powers will be operated within the limits set out below.

Up to the present, industries have been socialised where a monopoly was an economic necessity, and therefore public ownership the only public safeguard. But unless there is economic necessity, there is no reason for always socialising whole industries. For private and public enterprise to compete fairly with each other can be good for both. The anti-socialist can hardly object to such competition as unfair, since he should be convinced that the superior efficiency of private enterprise will always win through. This argument, although not one we can accept, certainly destroys any charge of unfairness. Nor should the socialist fear competition from private enterprise.

Competitive public enterprise must not be promoted capriciously or without good reason. As long as investment has to be restricted, new public enterprises must pass the same tests as private enterprises before they can be started. Their accounts must be subject to independent audit and available for inspection. And if they fail, they must not be artificially propped up by the taxpayer.

From the consumer's point of view, competitive public enterprise will be a sound method of getting costs and prices down. The efficient producer need have no fears from State competition: it is the monopolist, the restrictionist, the inefficient producer who fails to avail himself of assistance to put his house in order, who will suffer.

The grounds for starting competitive public enterprises will be as follows:

- (a) If, after investigation by the Monopolies and Restrictive Practices Commission, those operating the restrictions refuse to mend their ways.
- (b) If, despite adequate raw materials and labour supplies, there is a persistent shortage of any product vital to national need; this would include products required for defence, export and European recovery, agriculture, housing, education and other necessary public services.



- (c) If, to maintain a high level of employment, further industrial investment is needed in a Development or other area.
- (d) If, under the auspices of a Development Council or otherwise, a demonstration plant or factory is needed to stimulate inefficient producers.
- (e) If new products of social value are not being manufactured by private enterprise.

**7. Public Policy on Private Monopoly.** In the past, monopolies have taken care to operate behind closed doors. But now that the Labour Government has established the Monopolies Commission, anti-social restrictive practices will be exposed.

That done, the Government will take practical steps to prevent monopolies from continuing to exploit the public. Economic controls will be used where they will be effective. And, where appropriate, new public enterprises, as explained above, will be started to compete with monopolies.

But some monopolies are so big and powerful that competition would be valueless. To duplicate an industrial giant, already having adequate capacity to meet the national needs, would clearly be ridiculous. To attempt to break up a monopoly which was an efficient producer would be most unwise. Yet the concentration of great economic power in the hands of a private monopoly is a menace to the democratic State. In such cases the only sure public safeguard is public ownership. Monopolistic concerns which cannot be dealt with in other ways will therefore be socialised.

Each monopoly must be considered on its merits and the appropriate policy applied according to the circumstances of the industry in which it operates. One industry which will be carefully examined is the chemical industry. As supplier of raw materials, it is as basic to the national economy as coal and steel. As supplier of fertilizers, it is vital to the expansion of agriculture at home and in the Colonies. As manufacturer of war material, it is vital to national defence. As a large investor of capital, it exerts a powerful influence over the level of employment. And it contains a number of monopolistic concerns such as Imperial Chemical Industries Ltd., which play a decisive rôle in the national economy. If it should prove necessary in order to assure vital national interests, Labour will, in the light of the policy declared above, transfer to public ownership any appropriate sections of this key industry.

Thus, in broad principle, Labour's policy for private industry is fourfold. First, controls needed for economic planning will be permanently retained to ensure that industry serves the public interest, while other controls are pruned and removed. Second, assistance will be given to raise the efficiency of competitive concerns, particularly the small and medium manufacturers who are genuinely striving to increase production. Third, where private industry, even with this assistance, is failing to meet the needs of the nation, new public enterprises will be started. Fourth, monopolies, whose growth is a danger to the community, will be made to conform to the public interest.

## II.—AGRICULTURE AND RURAL LIFE

**I**F we are all to enjoy more food, we must grow more here in Britain. A virile expanding agriculture is vital to a healthy British economy. Food is grown by the men on the land—not in Whitehall. But the Government has to see that the men on the land get the help they need.

Under the Tories, a few years after the first World War, solemn promises were broken, guaranteed prices abolished and the minimum wage abandoned. Minimum farm wages were 46s. in 1920; but by 1922 they had been driven down to 25s. in some counties. Between the wars thousands of



farmers went bankrupt and hundreds of thousands of men were forced to leave the land. Under the Tories, agriculture plunged into a depression from which it was rescued only by war.

Today, after World War II, agriculture is thriving. The hard work of farmers and farm workers is taking us towards our immediate target of a 50 per cent increase in production over prewar by 1952. More milk, more meat, more eggs, more bacon are being produced every year. And as far ahead as can be foreseen there will be assured markets at guaranteed prices for the greatest possible quantities of nearly all the main products of our farms.

The return of Labour to office will ensure the permanence of the policies which have been so successful since 1945. A Tory victory would once again imperil the stability of Britain's agriculture.

## Full Production from the Land

Tools for the job are being supplied in increasing quantities. Out of our limited capital resources £100 millions is earmarked for new farm buildings in the next four years. There will be still more agricultural machinery. Already the number of tractors has risen from 50,000 in 1939 to over 250,000 today. Britain will maintain its lead in mechanization.

Producer co-operatives will be encouraged by the advance of money and in other ways. Through producer co-operatives, the small farmer of Britain can gain the advantages and economies of large-scale selling of his produce and of large-scale buying of his fertilizers, seed and other equipment. Through common ownership, he can enjoy the use of expensive labour-saving equipment. Everybody gains. The farmer gains in security and income; the nation gains through expanded and cheaper production.

In the battle for food, the nation cannot afford one wasted acre, or one inefficient farmer. Agricultural research, the National Agricultural Advisory Service and the County Agricultural Executive Committees—all have the one object of improving the output and fertility of Britain's soil.

The 1947 Agriculture Act has given ample powers to ensure good husbandry, if necessary by dispossessing inefficient farmers and landlords.

Labour's immediate policy is to gain practical experience of the working of this Act. But the Government will, as the public interest may require, use its powers to take land into public ownership and put it in charge of the Agricultural Land Commission for expert management.

Some good food-producing land, still not fully used, will be brought into sound cultivation under public ownership. The Government will also acquire whole estates in danger of being split up into uneconomic units. In this way such estates will be prevented from falling into the hands of speculators who destroy good farming and sound forestry.

## The Farm Worker

For decades of Tory rule the farmworkers were the forgotten men. Now for the first time they are beginning to get their rights. Wages are higher. The rural housewife does not have to pinch and scrape in the way she did in the bad old days. Security is more complete. Education is improving for the children.

There will be more opportunities for advancement up the farming ladder. Technical education in agriculture is being improved. There will be additional efficient smallholdings, so that more farmworkers can set up on their own.

There are still not enough different kinds of jobs for people in many rural areas and particularly for children when they leave school; those who are not attracted by land work are often tempted by the town to leave their families. When other even more urgent needs for new industry have been met, suitable rural industries will be encouraged through the Development Commission, the Rural Industries Bureau and in other ways.

## Rural Housing and Amenities

Rural areas have had priority in housing. But all who live in the countryside know how much has still to be done. Rural areas will therefore continue to have preference. Every year more rural slums will be replaced by new houses, planned for the housewife and usually



grouped together in sociable villages. Labour is pledged to deal with the problem of the tied cottage, and the surest way of doing it without causing trouble of other kinds is to build more good houses in the countryside.

Labour's aim is to improve the amenities of the countryside as fast as resources permit—by better schools, better health services and better bus services, by more village halls and playing fields.

Ours is an electrical age. But many country folk would not know it. Electricity is needed for the members of the family in the home and for high production on the farm. Labour frankly admits that, owing to shortages of all kinds, electricity has not, even since 1945, been extended into rural areas as rapidly as desirable. In the next five years, now that electricity services are publicly owned, more rapid progress will be made with rural electrification. The rural areas will not be the last to get electricity as they have been in the past under Tory rule.

In the Scottish Highlands a combination of public hydro-electric power, public forestry and publicly organized tourism will bring new life into a large area of Britain.

## **Water as a Public Service**

The countryside has in the past suffered cruelly from lack of proper water supplies. Far too many rural houses, farm buildings and fields are without a piped supply. Floods have followed droughts. There is plenty of water—sometimes too much—but not in pipes.

Many local authorities have provided a first-class service. Since 1945, a fine beginning has been made with new land drainage and water supply schemes. But a patchwork system, made up of private companies as well as local authorities, has failed to give the countryside the water it needs.

Labour proposes that water supply should now become a wholly public responsibility under public ownership. Eventually a national water grid will bring plentiful water into every rural and urban area. What is primarily a public health service will become a full public service in fact. Extension of water supplies will go hand in hand with the extension of drainage and sewerage for country homes and farms.

## **Britain's Forests**

The nation's woodlands must be replanted and efficiently run to make up for the cruel but necessary felling of two world wars and for the failure of private landowners to plant sufficient trees in years gone by. The Forestry Commission is planting trees on large areas of publicly owned land which will become a growing source of national wealth. It will be backed to the hilt, as will the private and municipal owners of one of our greatest national assets.

## **Fisheries**

Since 1945, Britain's fishing fleets have enjoyed a new-found prosperity and have made a big and essential contribution to the nation's larder. But there is much room for improvement in the efficiency of the industry and in the working conditions of the fishermen. The cost of distribution often makes the price of fish too high to the housewife.

Labour will aid in the modernization of deep-sea white fishing; will support the Herring Industry Board in its energetic plans to stimulate demand and re-equip the herring fleet, and will continue to subsidize the acquisition and improvement of boats and equipment for inshore fishing.

Our fishing fleets bring us food. They are a vital part of Britain's defence. They must never again be allowed to decline.

## **Britain's Minerals**

Britain's minerals are an essential part of Britain's wealth, and should be exploited to the full wherever it is economic and in accord with the preservation of amenities. Already coal and petroleum deposits have been transferred to public ownership; there is power to acquire deposits of minerals needed for production of atomic energy; and certain iron-ore deposits will become the property of the public when the Iron and Steel Bill becomes law. The 1947 Town and Country Planning Act has added to the control of minerals development. We shall take a further step forward by placing all suitable minerals in public ownership.



### III.—SQUARE DEAL FOR CONSUMERS

**I**N the past four years, the Government has had to fight a tough battle to keep prices in check. Thanks to the public spirit of the Trade Unions in co-operating to hold wages steady, and thanks to food subsidies, price control of essentials, rent control, dividend limitation, and the freest possible competition wherever supplies have been plentiful—the first stage of this battle has been largely won. Labour will continue to restrain price increases and to do everything possible to bring prices down.

In the past, the Conservative way of bringing down prices was ruthlessly to cut wages and social services. Labour will never countenance this vicious policy. There is, in the long run, only one way of getting prices down—and that is by reducing costs of production *and* distribution. We have to see that gains in productive efficiency do benefit the consumer instead of being absorbed in high distribution costs. We aim, therefore, to improve the efficiency of distribution.

There is no single or simple way of cutting the cost of distribution of goods between the producer and the retailer. Certainly it is quite unrealistic to talk of general nationalisation of wholesaling and retailing. It is true that some middlemen are making excessive profits. But most shopkeepers and many wholesalers are doing a difficult job efficiently and well, as are Britain's Co-operative Societies.

The Co-operative Movement produces and distributes an important part of all goods consumed. It has given great service to its ten million members. It has, by fair competition with other traders, benefited the whole community. It is a fine example of democratic co-operation to meet the needs of the people.

Labour proposes to tackle the problem of the cost of distribution along the following lines:

**1. Fruit and vegetables.** Fresh vegetables and fruit of good quality are needed by consumers in increasing quantities at reasonable prices. Labour will therefore take steps to improve the methods of distribution between the horticultural grower and the greengrocer's shop. Wholesale markets for fruit and vegetables as well as for other foodstuffs will, where necessary, be

resited, redeveloped and modernized, under municipal or other public ownership. More modern retail fruit and vegetable markets will be provided. There will be increased storage for fruit and vegetables, as well as fish, so that more produce may be stored in time of glut for release when supplies are short.

**2. Meat wholesaling.** In the past ten years there has not been enough meat, and every housewife knows its quality has often been poor. That is not the fault of the system of distribution; the reason is that supplies of meat have been, and most emphatically still are, hard to come by. For the future, our first aim is to get larger supplies, above all by producing more and more good meat at home and in the Commonwealth. The nation will rightly not be content until there is more meat of better quality, and until every housewife can choose the cut she wants from her butcher's shop.

Since the beginning of the war the Ministry of Food has been the sole buyer of imported meat and home-grown livestock, and has carried on the complete wholesaling of meat up to the point where the butcher receives his supplies. The job of wholesale distribution has been done efficiently and with great economy.

It would be folly to go back to 1939 and try to recreate the prewar organization. The only sensible course is to make permanent the present system and, by purchase on fair terms, put an end to the pensions paid to the importers and wholesalers who went out of business when the Ministry of Food took over. Public ownership will be in the interests of the consumer, who will benefit from more efficient methods of distribution. Slaughterhouses, too, will be developed under municipal or other public ownership so that public health is safeguarded in every way possible.

**3. Cold storage.** Much of the country's cold storage plant is already owned by the Ministry of Food. The needs of defence and public health demand that the remaining large-scale cold stores should be placed under public ownership. In public hands, cold stores will be



developed as an essential link in the distribution of meat and other foodstuffs.

4. **The sugar monopoly.** The privately owned British Sugar Corporation, Ltd., with a monopoly in sugar beet manufacture, was set up by a Conservative Government. The legislation creating the monopoly will expire early in the next Parliament. Labour will not leave this monopoly in private ownership.

Sugar refining is also controlled by a State-protected private monopoly which has enabled large profits to be made for private shareholders. One concern dominates the British sugar industry; it also has large interests in some of the colonial territories which the Labour Government is pledged to develop. The sugar industry is vital both in war and peace. Labour intends to transfer to public ownership all the sugar manufacturing and refining concerns.

5. **Government purchasing for the consuming public.** Once there is an abundant supply of raw materials, controls may cease to be an effective way of enforcing Utility manufacture. Manufacturers may again make only their own more expensive, branded and advertised goods unless fresh steps are taken. Public purchasing will be a sound way of ensuring that Utility lines are maintained.

Government departments, the new public corporations, the hospital boards and other public bodies are all purchasers of products on a very large scale. The bigger the order for certain goods the lower the manufacturing costs. It is proposed to pool appropriate orders by public bodies—in this way costs will be lowered by means of standardization and public expenditure will be reduced.

Suitable household or other consumer goods *over and above what the public bodies need* will be ordered for sale to the general public through the ordinary distributors. Thus the housewife should be able to buy at lower prices while smaller retailers get the advantages of large-scale purchase at present enjoyed by the chain stores and other large buyers.

6. **Improved competition to reduce prices.**
  - (a) *Freedom to open a shop.* Subject only to the needs of town planning, Labour intends to

abolish restrictions, imposed either by law or by monopolistic interests, upon freedom of entry into retailing.

- (b) *Restoration of retail price competition.* The Government fixes maximum prices for many goods; it is then illegal to sell for more than the controlled price. This control over prices will continue as long as supplies are scarce.

But private interests also fix *minimum* prices. If shopkeepers sell below these prices their supplies may be cut off. This is contrary to the interests of the consumer. We will therefore ensure that the consumer does not suffer from the private restriction of price competition.

Some private traders refuse to supply goods to Co-operative stores. This discrimination should cease, and the Co-op have the same freedom to get supplies as other retailers.

7. **Protection for the consumer.**

- (a) Housewives need some channel through which they can make their complaints heard. The Consumers' Councils for the socialised industries and Development Councils for non-socialised industries will therefore be encouraged to provide opportunities for housewives and others to make their views known.

- (b) Most housewives are good buyers. But it is often impossible for them to know the true value of many articles until they have tried them, and it may then be too late. An independent and publicly financed Consumer Advice Centre will therefore be set up. This will conduct expert tests and examinations of the various consumer goods on the market. It will issue buying guides, indicating the relative merits and demerits of the products tested, and how far each is reasonable value for money. There will be proper safeguards to avoid injustice to the manufacturer. Thus good manufacturers will be helped, and unscrupulous advertising will be exposed. This work should be of particular value in the field of patent medicines.

These sound and workmanlike proposals will play a prominent part in the campaign to raise the efficiency of distribution. This, together with an increase in production, is the only sure way to achieve the reduction in prices that we all want to see.



# IV.—SOCIAL SERVICES FOR THE PEOPLE'S NEEDS

**U**NDER a Labour Government, Britain's social services have advanced and expanded as never before. Labour has set out to convert into practical reality the socialist ideal that the best should be available to all. The National Health Service, social insurance, our educational progress, housing development, the new deal for war pensioners and the rest are the tangible fruits of this policy.

## Redistribution of Income

Expenditure on the public social services has risen from £530 millions in 1938-39 to more than £900 millions in 1947-48, or £19 a head of the population. There has been an increase since then, now that the National Health and other services have been started. Another £484 millions, or £10 a head of the population, are at present being spent on the food subsidies. This expenditure on social services and food subsidies is equivalent to at least 11s. per head per week. For an average family of five, this is equivalent to an addition to normal earnings of at least £2 15s. a week in the form of social benefits. This may be called the 'social wage' which the nation as a whole adds to the income of the family.

The great expansion of the social services has had to be paid for by taxation, but the burden of taxes has been adjusted according to the capacity to pay.

Successive Labour Budgets have relieved millions of people, in the less well-to-do sections of the community, from paying income tax. There has been relief on earned, as compared with unearned, incomes, and small, as compared with large, incomes. Purchase tax has been removed from a wide range of necessities, though retained on less essential commodities. By an increase of surtax on large incomes, by the profits tax, and by the Special Contribution imposed in 1948 on wealthy people, the burden has been placed on those who can best afford to pay. The increase in death duties on

large estates has hit at the inherited wealth which is one of the chief sources of inequality in the distribution of capital.

As a result, the people of Britain have taken a long stride towards social equality. Extreme poverty has been banished. Social insurance and National Assistance now come to the help of those suffering hard times. Family allowances help those with children. These measures, with full employment and better wages, add up to more money coming into more homes than ever before.

On the other hand, the wealthy minority are less well off than they were. Today there are only 250 people with incomes of over £5,000 a year, after deducting income tax and surtax, compared with 11,000 before the war.

This is as it should be. But in between, there are some people in the middle income ranges who are also worse off. They do, however, benefit from the expanded social services—from family allowances and the National Health Service as well as food subsidies and price controls; and they have been brought into National Insurance for the first time. For the future, they will share in the benefits which a steady rise in our national production will bring in its train.

## Production Sets the Limit

There is only one way the expansion of the social services can be made secure; that is by raising production. It is not only their present cost that has to be covered. The fact is that the existing schemes will become more costly each year. Retirement pensions, for instance, will cost steadily more as the number of old people rises. We are committed, and rightly, to the future expansion of the National Health Service, education and housing. All these and other obligations have to be paid for out of production.

We therefore feel it our duty to state frankly that new commitments for further expansion of our social services can only be accepted as pro-



duction goes up; indeed, more production will be necessary to underpin the immense changes on which we have already embarked.

What is needed now is not so much new legislation as the full development, through efficient and economical administration, of all the services provided by the Acts passed in Labour's first term of office.

## **Rôle of Local Authorities**

In this task local authorities have a vital rôle. Whitehall should never control more than is reasonably necessary for efficient government. For Scotland and Wales, new representative bodies, the Scottish Economic Conference and the Council for Wales and Monmouthshire, have been established.

The Labour Party, believing that local government is a keystone of political democracy, has fostered and will foster it in all possible ways.

The necessity to transfer some functions has not reduced the importance of local authorities. They are performing essential duties, above all in the expanded services of housing, education, town planning and health. The new Exchequer grants have reduced the burden of rates, and local authorities all over the country have been enabled to improve services without having to place the full cost on the ratepayers; agricultural and Development Areas have especially benefited. Councils have been given new powers to provide entertainment for their citizens' leisure hours and to run cafés. Local authorities have done a fine job in these postwar years. We ask them to do even more in the future.

Labour now makes the following proposals.

### **1. Labour puts the Family First**

In a world of postwar scarcities the housewives of Britain have done a magnificent job. By putting up with shortages and shopping difficulties, they have made victory possible in the battle for economic recovery. They are building up a future generation healthier and happier than ever before in our history. Millions of mothers are, for the first time, able to give their children the good food they need and take them to the doctor whenever necessary. Today there are no more doctors' bills

to worry over. They can send them to school knowing that every child will soon have the chance to make the most of his or her full capacity. And many hundreds of thousands of mothers see the world from a modern home, built since the end of the war.

We believe that for most people full human happiness depends upon flourishing family life. We therefore intend to do even more to aid the family. All forms of help to lighten the burden of the mother in the home should be extended. Powers exist for providing home helps, meals at civic restaurants, municipal laundries, nursery schools, children's playgrounds, and sports equipment for school children. Labour will encourage local authorities to make proper use of those powers.

## **2. Industrial Assurance as a Public Service**

Social security has been Labour's goal since the Party was first formed. The long fight of the pioneers has now been rewarded. The National Insurance Act, the National Health Service Act, the National Insurance (Industrial Injuries) Act, the National Assistance Act and the rest of Labour's legislation are landmarks in man's long struggle for the new and better society. Today social security is a fact.

Labour, dedicated as it was to the achievement of social security, gave a warm welcome to the Beveridge Report. But it has done more than that: it has carried out the Report's recommendations and in many ways improved upon them in the great Bills introduced into Parliament. What a contrast with the period after 1918! Many promises were made by the politicians at home while the men were dying in France. We know too well the fate of those promises.

Only one major recommendation of the Beveridge Report has not yet been carried out: the proposal to convert industrial assurance into a public service. A minimum standard of life in illness and old age is now ensured for all by National Insurance, and a grant is to be provided for burial expenses. But this minimum can and should be added to by voluntary thrift. One of the best ways for the individual to save is through insurance. The nation's social security plan will



be completed when industrial assurance itself becomes a great social service.

The people will gain. No policyholder will suffer. Labour declares categorically that it will provide that the State shall guarantee and accept complete responsibility for all existing policies. In fact, policyholders will be more secure: for all policies will in the new conditions have the full backing of the credit of the State.

The insurance industry has rendered great service to the community. Millions of people have been protected against the hazards of life, and every single person has benefited indirectly from the overseas earnings of insurance. Industrial assurance companies, however, conduct only a small proportion of total overseas insurance.

Industrial assurance has been strongly criticized. In the past, the hard-won savings of working people have been invested as the industrial assurance companies thought fit. The companies have often made extremely high profits for their shareholders. Private profit has come before the public interest. In future the public interest will come first.

Administrative expenses have been too high. And as a result of the pressure put on their staff by the companies and societies, people have been persuaded to take out policies they could not really afford to keep up in hard times. Many policies have therefore lapsed.

Splitting off industrial assurance from the remaining business of the companies would lead to confusion and inefficiency. Labour therefore proposes that all the industrial assurance companies, the biggest being the Prudential and the Pearl, and the larger collecting societies, should be taken over as they stand.

The defects of industrial assurance are the fault of the system. They are not the fault of the indoor or outdoor staff. The insurance staffs have done a hard job conscientiously and well. They have helped to keep up savings in the national interest. Acting as good friends of the public, they have aided millions of people to gain protection against insecurity. Experience shows that industrial assurance will only be successful if house-to-house collectors continue to be employed. Agents will therefore be needed in the future as they have been up to now, and their jobs will be more secure than they were in the past.

Reductions in the numbers of staff will be made

by slowing down the rate of new recruitment, so that there will be fewer men coming into the service than leaving it through natural wastage. Compensation will be paid to agents for the full value of book interest.

Any question of compensation that may arise as a consequence of establishing the new service will be negotiated with the Trade Unions. Unions and joint consultation will be strongly encouraged.

Labour is satisfied that the general public and staff will both benefit when industrial assurance becomes one of the nation's foremost social services.

### 3. More Family Holidays

Holidays with pay are a boon to the working people of Britain. But many families who want to take a holiday away from home are unable to because there is not enough accommodation of the right kind at reasonable cost.

Labour proposes to set up a Holidays Council, with Government support, to start providing modern reasonably priced holiday centres with accommodation for families. Shortages will limit building possibilities but much may be done by buying and adapting large country houses. More and more of the stately country homes of Britain will be coming into public ownership, as payment in kind of death duties and in other ways. It is right that they should be mainly used to give holidays to families who have never been able to afford them in the past. These new centres will add to the accommodation in the seaside resorts and elsewhere used by those accustomed to holidays away from home. To assist families to get to holiday centres, facilities for cheap travel will be increased.

The Holidays Council will lease accommodation to non-profit-seeking holiday organizations, and will thus relieve them of excessive capital costs. This will be an incidental aid to the tourist trade, which should continue to earn much foreign exchange in the future. The Council will co-operate with appropriate local authorities, and also with the National Parks Commission.

### 4. Education for a Fuller Life

Education for democratic living is the birthright of the rising generation. Under Tory Govern-



ments, education was skimped and pared. Under Labour, new schools, canteens and training colleges are springing up and children have been given an extra year at school.

The educational building programme must be maintained and expanded. By building more schools and training more teachers, we shall take practical steps to reduce the size of classes which are still often far too large.

Against this background of nation-wide improvement, special emphasis will be laid on primary schools, and on preparations for the establishment of county colleges where young people will receive part-time day education. In the development of secondary education, comprehensive schools will be encouraged wherever practicable. Technical education will be expanded with all possible speed. The improvement of rural education, the provision of more nursery schools and the expansion of adult education will be pressed forward as fast as resources permit.

When building labour and materials are available, local authorities, acting either singly or in association, will be encouraged to provide such boarding schools of their own as may be needed. It will then become progressively less necessary for local education authorities to send children to private boarding schools. Eventually this practice should cease altogether.

We aim at overcoming the present shortage of accommodation in order to make school meals free and universally available by 1955.

University education has been a special care of the Labour Government. Government grants to the universities have been increased from about £2 million annually before the war to £17½ million today, including money to provide new buildings and equipment. All this is being done without interference with the traditional freedom and independence of the universities.

The proportion of university students with scholarships and grants is much higher now than before the war. In future at least three-quarters of all places should be filled by scholarship holders with adequate maintenance grants for all who need them.

## 5. Recreation and the Arts

The use of leisure is something personal. We do

not want exhortation or interference. We do want greater richness of opportunity for the individual.

The Labour Government has already added greatly to opportunity for the full enjoyment of leisure. The Arts Council has been backed by Government finance, in order to bring the arts—music, drama, painting and sculpture—within the reach of people in every part of Britain. Opera and ballet at Covent Garden are being aided. After decades of delay by the Tories, the Government has also fully supported the project for a National Theatre. A fine new concert hall is to be built on London's South Bank. These ventures should set the highest standards in artistic production and inspire professional and amateur groups throughout the country. Labour will continue to do all that can legitimately be done to encourage the arts without interfering in any way with the free expression of the artist.

The renaissance of the arts will be seen in full flower at the Festival of Britain planned for 1951, the centenary of the Great Exhibition. This Festival will present the achievements of British life in industry, at leisure, in invention and in design. It will inspire the nation to make the second half of the century one of the most glorious periods of Britain's history.

It would be totally wrong for London to have a monopoly of the arts. The whole country should share in the national revival. Local pride in local artistic achievement will be fostered in every possible way. Local authorities will be encouraged to use their new powers, for example by supporting music, drama and the visual arts, and providing civic theatres, concert halls and municipal cinemas.

Local authorities will also be stimulated to provide spacious playing fields, well-equipped sports stadia, gay community centres and more playgrounds for the young children.

Britain's countryside is the most beautiful in the world; everyone, and above all the young, should have the full opportunity of enjoying it. That is why Labour intends to establish National Parks in the fairest parts of Britain. Footpaths will be preserved and access to the countryside will be secured for all hikers and cyclists. The fine new motorways planned by the Government will eventually give the motorist faster, easier and more economical travel—and without danger to the pedestrian.



## 6. Housing and Planning

Labour's great housing programme is already changing the face of Britain. In three and a half years up to the end of 1948, 834,000 homes were provided: three and a quarter million people were rehoused.

The nation must press on to the first goal—a decent, separate home for every family in the land. Before the war, poverty or the fear of it put a separate home beyond the hopes, let alone the reach, of many people. But today there are more jobs and more money coming in, and far more families can afford to have their own homes. Therefore, more houses will be needed to reach this first goal than was at first thought.

Houses will be built in different sizes and to a variety of standards as local authority schemes extend. In this way local authorities will meet the needs of the middle-income groups for good houses, and housing estates will be developed for all sections of the community.

The next step is to raise the standards of the older houses. The new houses built for the people are more spacious and better equipped than ever before. They have been designed for good living and to ease the housewife's task. But most of our older houses were built to lower standards. Many have become slums. These will be demolished; new houses will rise from the ruins. Existing houses which are structurally sound, but without modern amenities, will be brought up to modern standards with the aid of the Government's 1949 Housing Bill. Housing standards are particularly low in Scotland; the job of rebuilding there must be continued with the greatest possible speed. Labour will not rest until all the people of Britain have comfortable and pleasant homes in which to live.

Labour will not permit landlords to exploit the housing shortage for their own gain. Legislation has been introduced to prevent profiteering on rents and premiums. Rent control and rent tribunals will be continued. The present antiquated and complicated law of leaseholds enables the ground landlord, who has rendered no service whatever to the community, to victimize householders, shopkeepers and business men. A Committee of inquiry has been appointed, and in the next Parliament Labour will, in the light of its

report, take effective steps to reform the law so as to do justice to the tenants.

The cost of building is still too high. A searching inquiry into building is now being made by an official working party. Labour will press steadily for lower costs by achieving higher productivity throughout the building industry.

## The Cement Industry

The efficiency of the building materials industries must also be raised. In one outstanding case, cement manufacture, the industry is controlled by a tightly organized private monopoly which allows high profits to be made. More research and more effective standardization is required in this industry, which needs to expand to meet demands not only at home but abroad, in the Commonwealth and other overseas countries requiring extensive economic development. Labour will not leave this essential industry in the hands of a private monopoly but will transfer it to public ownership.

## Town Planning

The rebuilding of our great cities, particularly the blitzed areas, will be stepped up. The fastest possible progress will be made with the great adventure of the New Towns.

We must banish smoke and bring sunshine and air into our cities, with tree-lined avenues, fountains, green squares, flowers and colour. Let our age and our civilization be expressed through fine building and planning as, in the past, the great periods of British architecture expressed the spirit of their day.

The framework of town and country planning is already in place. The social control of land use has been established. Labour is satisfied that the powers it has placed in the hands of public authorities should be adequate for the job.

## 7. The Nation's Health Service

Until July 5, 1948, little more than half the people of Britain were covered by the panel practitioner service. Hospitals, often dependent on private charity for their survival, were unplanned and unco-ordinated. Only the most limited dental and ophthalmic services were provided. To almost



every family in the land the cost of ill-health was a constant anxiety.

Labour's great National Health Service Act has at last changed all that. Today all the people of Britain are entitled to have all their health needs met without charge at the time of illness. The whole nation bears the cost. By the end of 1948 95 per cent of the population had registered with a doctor, more than 75,000,000 prescriptions for medicines and appliances had been dispensed, 3,400,000 people had received or were receiving dental treatment and over 3,000,000 pairs of spectacles had been supplied or ordered. Under the service, mothers and children are getting a new deal. For the deaf, the Medresco hearing aid, and for the crippled, a full range of the best artificial limbs and medical aids, open up new prospects of full and useful life.

The initial opposition of the medical profession has ceased, and doctors, nurses and other health workers are joining in the great co-operative task of building for Britain a national health service without equal in the world.

The years ahead must be marked by the steady development of every part of this great scheme. There must be no pause until the health centres are built, until hospital beds in properly equipped buildings are immediately available for every case needing them—the shortage affects especially those with early T.B. and the chronic sick—and until there are enough health workers, living and working in decent conditions, to do the full job.

Health education for the general public, in health centres and elsewhere, must be extended. Training for those who wish to enter the medical professions must be brought within the reach of all who can benefit from it, regardless of their incomes. As with the rest of university education, at least three-quarters of the places in the medical schools should be scholarship places.

As soon as circumstances permit, an industrial health service will be set up, to key in with the National Health Service. Some industrial firms have made a praiseworthy start, but over much of industry (including not only factories, but offices, warehouses, shops, marshalling yards and the rest) health standards are far too low. Non-medical factory inspectors and doctors must work hand-in-hand to achieve a steady improvement in working conditions. Experiments in local organiz-

ation should be encouraged. As sickness and accident rates fall there will be gain not only in individual health but in production. All who manage industry, whether socialised or private, must place healthy working conditions in the forefront of their plans.

## 8. Welfare of the Old People

Labour has shown its determination to give the old people a square deal. Pensions have been raised from 10s. a week to 26s. for a single person and 42s. for a husband and wife. The Poor Law has gone, and National Assistance stands ready to help wherever insurance cannot do the full job. Already nearly half a million old people are receiving assistance to augment their basic pensions. Old people have benefited more than any other section of the population from the National Health Service.

More labour-saving homes will be built for old people and the health services available to them steadily improved. Special attention will be given to the problem of invalids and others not capable of looking after themselves. The guiding principle of Labour's policy is that old age should not be a burden of loneliness and sorrow but a period of happiness, rest and respect after work is done.

But old age is presenting the nation with a new and serious problem, demanding a revolutionary change in attitude. For those not capable of work welfare services of all kinds need to be extended. But most people are still robust and vigorous when they retire, and old people are living longer. Today, the man of 65 lives on an average till he is over 77. In the future there will be more and more pensioners—not to mention the children—to be carried by people of working age.

If the nation is to achieve and maintain prosperity, we must encourage more of our older people to carry on active work. Many old people themselves wish to do this. In the bad old days of unemployment and poverty many a victim of capitalism complained he was too old at 40. May it be the boast of men in this twentieth century that they are not too old at 65! But those who wish to retire must have full freedom to do so. It would be completely contrary to Labour's policy to get any of the old folk to work against their will.

The Government will encourage and help to



make it possible for old people to stay at work. At present the retirement pension is increased for those who go on working after the usual retiring age. The Government doubled the increase proposed in the Beveridge Report. It is still too early to arrive at a definite conclusion about the effect of this inducement. But recent figures suggest it is proving successful. There will be a full chance to review the working of the National Insurance Act, including the rates of benefit. The Act provides that such a review must take place not later than five years from the date on which it came into operation.

## 9. Fair Deal for the Disabled

Labour has done more for the disabled than ever before. With the many improvements in war pensions, the country has at last given a fair deal

to ex-Servicemen who suffered in the cause of their country. The National Insurance (Industrial Injuries) Act has ended the evils of workmen's compensation and ensured that no disabled worker or his family will be plunged into poverty. Every effort is being made to fit the disabled for self-respecting work. These gains will never be lost as long as there is a Labour Government.

## 10. The People and the Law

By its Legal Aid and Advice Scheme, Labour is bringing the right to justice for the first time within the reach of the majority of the people. Labour has maintained all civil liberties and has now made it practical for the citizen to sue the State. The gradual process of simplifying and improving the law will be continued, so that legal reform marches in step with public opinion.

# V.—PIONEER FOR WORLD PROGRESS

**O**N foreign affairs no programme of action or legislation can be drafted in advance. World developments depend on the interaction of many separate policies, pursued in concert or in conflict by all the nations simultaneously. But while it is not possible to lay down the details of a policy to be pursued five years ahead, the Labour Party can state its aims and principles in world affairs, and produce the achievements of its first postwar Government as proof that its ideals are both sincere and realistic.

In world affairs, Labour has pursued, and will continue to pursue, three supreme objectives. The first, and incomparably the greatest, is peace, and the establishment of the United Nations Organization as a body capable of fulfilling the high purposes for which it was created. The second is that Great Britain shall stand upon its own feet, dependent upon extraordinary economic aid from no other country, but playing its full part in leading other nations who will join with it in building rising standards of life and bolder and freer oppor-

tunities of social development. The third is that ceaseless war shall be prosecuted against the ancient evil of poverty which still holds so many millions of our fellow-citizens of the world in its grip. These three aims are interlocked.

The common base from which all campaigns in pursuit of these objectives must be launched is a successful policy of recovery at home. Foreign affairs and domestic affairs cannot be separated. Perhaps the greatest of all the manifold contributions of Labour Britain to the cause of peace and world recovery has been the example of economic and political rebirth in these islands. The peoples of the world, whether they live in capitalist, socialist or communist countries, long for one thing—for the proof that economic well-being and social security can be achieved together with an increase in the freedom of the citizen.

Planning and democracy are not enemies; each is an indispensable ally of the other. During these four years, the British people have used their hard-won political rights to gain economic rights; they



have shown that a parliamentary system can move swiftly to change the power relationships in society; they have given real content and fresh meaning to the ideals of social democracy; they have made this dramatic social advance while retaining and enhancing all the cherished practices of free speech, free association and the protection of the claims of the heretic. It is Labour's home policy, and the deeds with which it has fulfilled its words, which has enabled Britain to command a leading rôle in world affairs.

## The Way to Peace

Lasting world peace can only be secured by the rule of law among the nations. The Labour Movement has always been dedicated to that ideal, and the Labour Government has sought by every means in its power to strengthen the United Nations as an effective instrument for the achievement of that purpose. The world must have an organization where international disputes can be settled by discussion instead of war. No nation has served this cause more devotedly than Britain. Never once have we been afraid that our conduct should be examined by the forum of world opinion. Never once have we refused to assist the work of the various new international organizations. Indeed, two of the most important agencies of the United Nations, the Food and Agriculture Organization and the International Refugee Organization, owe their existence to the activities of the Labour Government. It is not the fault of the British Government that the United Nations has so far failed to command the authority which the cause of peace requires. But in the next five years, despite all setbacks, Labour will seek to enhance that authority, strenuously, patiently and tirelessly.

It is, of course, idle to deny that the hopes of the wartime alliance which led to the founding of the United Nations Organization at San Francisco have not been fulfilled, and the reasons for this disappointment must be bluntly stated and faced. The British people were passionately eager to see genuine co-operation between the great Powers which won the war. They did not forget, and do not forget, the years of comradeship in battle together and the mighty contribution to the final defeat of fascism made by the Soviet people. Nor do they forget the follies and the prejudices of the rulers of the world which for so long in the period

before the war kept Britain and the Soviet Union apart and which so tragically contributed to the world cataclysm.

## Russia Blocks the Road

All these memories could have helped to make a good peace. But, unhappily, in the past four years, the Soviet Government and its satellites have scorned the path of co-operation. They have amply demonstrated their belief that they will gain more by the tactics which delay and obstruct a real peace settlement and co-operation in recovery than by joint action in achieving these ends. It is this hard fact which more than any other darkens the horizon of mankind today. It is this Soviet policy of implacable non-co-operation which breeds the fear of a third world war and haunts the peaceful ambitions of peoples in every land.

To lift these fears from people's minds and to recover the hopes of genuine partnership which prevailed in 1945, the Labour Government will persistently seek and exploit every opportunity for persuading the Soviet Government that the advantages to be gained from peaceful co-operation between the communist and non-communist world are immense. It will not resort to any provocative and aggressive actions. But British policy must take account of Soviet policy, and it is dangerous to disguise the fact that a whole series of British initiatives in the cause of peace have been rebuffed by the Soviet leaders. A few examples may help to underline the truth. The proposal of a large-scale exchange of teachers and students between the two countries was refused. For three years the British Government consistently sought to carry out its obligations under the Potsdam Agreement despite the fact that the Soviet Government consistently ignored or broke its own obligations under the same treaty. From the moment when the British Government first sought action from the Governments of Europe to make real the suggestions contained in Mr. Marshall's Harvard speech, we have invited full Russian co-operation in the European Recovery Programme.

Not merely did the Soviet Government reject these invitations; it even insisted that all its satellite powers in Eastern Europe should join in that refusal, regardless of their needs and wishes. Meantime, the whole weight of Soviet propaganda was directed to malign the motives of the British



Government, and in all those countries where Soviet power prevailed, action was taken to suppress, imprison or destroy the upholders of democratic socialism. The communist *coup d'état* in Czechoslovakia awakened the world to a fuller understanding of the threat. There, on the eve of free elections, the right to speak and act freely was extinguished. The world was instructed that the Soviet Government would respect the democratic conventions of the West only where those conventions were protected by power and the courage to defend them.

Most tragic of all has been the Soviet refusal to co-operate in solving the problem of Germany. Britain, America and France asked Russia to join a Four-Power treaty to prevent the revival of German aggression. The Soviet Government refused. For years the Council of Foreign Ministers tried to agree on a peace treaty for Germany, to end the fears and instability in the heart of Europe. The Soviet Government obstructed all progress. When three years after victory we decided that the recovery of German economy and the creation of a democratic framework could no longer be delayed, Russia risked plunging the world into chaos again by blockading Berlin. Only by patient firmness and the magnificent achievement of the air-lift has this threat been held off.

## Defending Democracy

The results of all this Soviet obstruction have compelled the British Government to devote a part of the nation's energies and resources to defence. After 1945, the Government, in the service of peace and recovery, cut the armed forces to the limit of safety. It was not prepared, in the troubled state of the world, to embark on a policy of unilaterally abolishing our armed strength, and, indeed, it was compelled to ask the nation to bear the burden of national service in peacetime in order to maintain armed forces of sufficient size. Britain would dearly desire to resume the process of reducing defence expenditure and diverting resources from military to civilian production. But the Government cannot embark upon that course while the Soviet régime continues to devote so large a proportion of its national resources to military purposes and while it pursues its present policy of non-co-operation.

Military defence borne on our own budget, how-

ever, is not the sole means of achieving security. It has been necessary to pursue measures of collective security with those nations which will join with us. Britain forms the common link in the three great groupings of nations on whose vigilance the maintenance of peace chiefly depends today. We are a leading force in the Atlantic community, in Europe, and in a world-wide Commonwealth which stretches from the Orkneys to New Zealand. The Labour Government has worked to strengthen these three interdependent and interlocking groups, and their future co-operation hinges in the main upon Britain, which is the only great power belonging to all three. But all this activity has been undertaken to forward the cause of peace and not to frustrate it. The Atlantic Pact linking the old world and the new in the interests of peace and security, is one of the strongest buttresses of the United Nations. And we re-emphasize that the door remains open to renewed co-operation with the Soviet Union when its Government desires that co-operation.

## Partnership for Prosperity

Britain's second paramount aim, the achievement of economic independence, like its common interest in building defensive security with those nations which will join such a system, depends in large part on the movement for closer co-operation between the nations of Europe which has come to be called Western Union. This great project is the culmination of a policy which Britain has pursued since the first days of peace. The Economic Committees with France and Italy prepared the ground for the European Recovery Programme. The Treaty of Dunkirk with France laid the foundations for the Brussels Pact and the Council of Europe. Without the original meeting of the European nations, called in Paris on the initiative of the British Government, Marshall Aid would never have become a reality. Without a steady march towards closer European unity in the coming years, none of the States in Western Europe can hope to make their economies strong and prosperous.

Britain has made the outstanding contribution to the successful launching of the whole new venture. It has given material support, persistent leadership in the delicate work of nego-



tiation, and the assurance of strength which derives from the spectacular development of its own resources at home. It has, moreover, helped forward this work without jeopardizing other relationships which are indispensable to the creation of a true Western Union. It was the realization that an important part of Great Britain's value to Western Union depended upon Commonwealth support which made the British Government careful to accept no over-hasty formula for a United Europe. Without that care the foundations of a Western Union closely linked with the Commonwealth could never have been laid.

The pursuit of full economic independence has also been carried out in a way which has made possible new and fruitful relations with the people of the United States of America. Much of the progress which has been made in European Recovery would have been impossible without American aid. The British Government made it clear that it would accept no condition which undermined our freedom to select our own course, and no such condition was demanded by the United States Government. Much of the credit for this wise and magnanimous outlook on the part of the American people must go to the American trade unions and the work of their representatives on the various bodies concerned with European aid. And this is only one of the recent, dramatic examples of the growing power and influence of American trade unionism and American labour.

### **Recovery is Indivisible**

Neither peace nor British independence can be secured in a world tormented by fears of slump, unemployment, near-starvation and poverty. The

war against these evils must be raised to a new pitch of intensity; this is the third aim of Labour's foreign policy. It is this consideration which has provided one of the chief motives behind Britain's activities in Europe and which makes us welcome President Truman's recent declaration about aid to the undeveloped areas of the world. Despite all its own difficulties, Britain has proved in these past four years how practical is its recognition that world recovery, like peace, is indivisible.

Next to the U.S.A. we have made by far the greatest contribution to European recovery, through UNRRA, in gifts and credits and later through the European Recovery Programme. Britain is planning new forms of aid in the development of the Middle Eastern area, that the desert may bloom again and the age-old scourge of poverty and disease be lifted. In South-East Asia Britain aims to help in re-establishing stability and raising standards of life; it was British statesmanship which produced the Special Commission to tackle the acute threat of famine. Throughout we have supported the United Nations' efforts to bring peace to Indonesia.

All over the world, great sacrifices have been made to help the people of less fortunate lands. We accepted the temporary rationing of bread and the disappearance of rice from our shops to bring succour to the hungry. Labour Britain makes no apologies for these decisions. We are proud of the part which this nation has played, while it was fighting for its very economic existence, to hold back famine, disease and collapse over so wide an area of this stricken planet. The British people, under a Labour Government, will continue to do their duty as good citizens of the world.

## **A Commonwealth of Free Peoples**

Labour always denounced the old imperialism. We hated its brutality, its hypocrisy, its complacency, and its ruthless or wasteful exploitation of poor and ignorant peoples for motives of private gain. Before the war those evil methods had begun to give way to ideals of responsibility and trusteeship. But there was small recognition

by our rulers of the fast-moving currents of political opinion and economic hazard within the Commonwealth. The war acted as a new convulsive element. Immediately after the cease-fire, it was clear that brave and far-reaching decisions must be taken swiftly. The problem presented by Britain's colonial responsibilities is so huge that



no one can expect a sudden and comfortable transition. But the record of achievement is already immense.

Under the Labour Government, three great new Commonwealth nations have come into existence—India, Pakistan and Ceylon. This was the culminating step in a long development towards self-government, but only a Labour Government made the final act possible. Had Mr. Churchill been in power carrying out the policy which he has enunciated from the front Opposition bench we should have had to fight a long and futile war. Instead the Prime Ministers of the new Dominions have come in friendship to Downing Street and have been sitting around the same table with the Prime Ministers of the older Commonwealth countries. While the future relations of these peoples to Britain remain to be defined in detail, the Labour Government's far-sighted action has created the best possible conditions for a permanent partnership.

This event, and the statesmanship which alone made it possible, marks the greatest departure from imperialism the world has ever seen. A new level of effective co-operation in the Commonwealth has been attained. A bridge is being built between Europe and Asia the value of which to future generations it is difficult to over-estimate. And consultation within the Commonwealth on political and economic matters has been far closer since 1945 than ever before.

## Advance in the Colonies

Important political developments have also been taking place in colonial policy. There is hardly one of our more than forty colonial territories which has not moved some way towards self-government in the past four years. Labour's aim is democratic self-government for the Colonies until in due course they attain full responsibility in both central and local government. But, of course, effective political advance depends on social and economic growth. Many of the dangers threatening the construction of the kind of Commonwealth we want arise because economic advance has not kept pace with political demand.

The curse of poverty still weighs brutally on millions of our fellow citizens within the Commonwealth. It is the chief obstacle to colonial pro-

gress. It is largely due to climate, ignorance, disease, soil erosion and such-like factors. The neglect of previous British Governments and a degree of selfish and shortsighted capitalist exploitation have also contributed to the distress afflicting many of the Colonies. Labour seeks to improve the quality of living for the colonial peoples and to open a new epoch in Commonwealth history by establishing a great partnership in planned enterprise.

Tomorrow's leaders and teachers, scientists and doctors, should come more than ever from the Colonial peoples themselves: that is why higher education has been so strongly encouraged. Already new universities are being started in the West Indies and Malaya, university colleges are being developed in West and East Africa, and a Council for Higher Education has been set up for the Colonies as a whole. Over 3,000 colonial students are at present completing their studies in Britain.

## Economic Achievement

Here again the record of achievement is already remarkable. Not merely has the Government been spending millions a year on colonial development and welfare, in improving housing, health, education and other services. Not merely has it encouraged each colony to prepare its own ten-year plan of development. It has also planned and initiated a vast extension in Commonwealth production, industry and trade. Capital goods are needed in almost every colony; they are the indispensable levers needed to raise the standards of life. Despite the clamorous demand for these same goods both at home and in every other world market, Government policy has ensured that they shall be provided for the Colonies on a greatly increased scale. Britain is now exporting more than double the prewar volume of capital goods to the Colonies. Imports from and exports to the Colonies generally are vastly greater in volume than they ever were before, and under the British Four Year Plan this expansion is to be continued and accelerated.

Measures have also been taken to raise the output of food and raw materials in the Colonies. In doing this the Labour Government aims not only to assist the recovery of Britain and the world but also to obtain more food and services and



higher standards for the colonial people themselves. We are drawing almost double the prewar percentage of our total imports from these areas. One important agency which makes this expansion possible is the system of bulk purchase, providing guaranteed prices and a stable market in Britain and elsewhere. It is largely this guarantee which enables the colonial producer to expand his crops. It is to this guarantee and other devices that he looks for protection against the bitter winds of slump. Labour inherited parts of this bulk purchase system from the war, but in the past four years it has been fashioned into a major instrument of policy.

Nothing illustrates more powerfully the unfitness of the Tories to govern the Colonies than their stubborn opposition to this method of trading. To destroy the bulk purchase system today would mean a deadly blow at a vital part of the Commonwealth's economic structure. It would spread dismay from the sugar plantations of the West Indies to the farmsteads of Australia and New Zealand. Labour has no such prejudice against planned trade. It is determined to consolidate the new system as an important element in the programme of colonial economic development and welfare.

## Public Enterprise

Under the Colonial Development and Welfare Act many economic improvements have been made possible. Moreover in the past four years two new organizations have been set up to promote special enterprises—the Colonial Development Corporation with a capital of £110 million and the Overseas Food Corporation with a capital of £55 million. Too often in the past, the activities and methods of great private corporations have been a chief source of the hostility towards European enterprises. The widespread feelings of the Africans about the United Africa Company provide a case in point. There is a clear need for control of strong monopolies and for public ownership of minerals. Great imagination and skill will be needed to ensure that the new corporations avoid the same dangers; but at least they start with the immense advantage that no private profiteering interest is involved and that they are publicly accountable for their acts. With the East African groundnuts scheme and their other great ventures,

they have embarked on a new era of pioneering public enterprise.

During the past four years Labour has already improved working conditions in the Colonies and encouraged sound trade unionism. Co-operative Movements have been consistently encouraged both for the producer and for the consumer. The Labour Government has launched great social programmes of housing, education and preventive medicine and extended research services for colonial development. It has shown unprecedented energy in tackling agricultural problems and stimulating new industries. In future, local governments will be encouraged to extend the field of public enterprise for the advantage of the peoples. Labour wants planned development in all the Colonies in order to help in raising living standards. The Labour Government will continue to co-operate with other colonial Powers in solving intransigent problems of disease and poverty; it will work through the agencies of the United Nations and will seek to promote common services over great regions to advance the prosperity of the people.

Great Britain and the Colonies have gone into partnership to liquidate ignorance, poverty and disease. Together they can help lead the nations of the world to direct their attention to the great economic evils which lie at the root of so many political convulsions. Together they can make a shining contribution to the solution of what may still prove the problem of the century—the clash of colour and the dangers produced by the offence of racial discrimination. Together they may help turn the minds of men away from mad dreams of conquest and domination to the urgent task of making this planet a fit place for human beings to live in. Socialism points the way ahead abroad as at home.

The problems of the world are grave and the perils which still surround us are enormous. No easy solutions or escapes can be expected or promised. But Labour Britain will work unremittingly for a real peace as it has worked in the past four years. It will strive to keep alive man's faith in freedom and sanity and the brotherhood of nations. It is ready and equipped to undertake the great new adventures in social justice, planned enterprise and economic revolution which the new age demands.



# FORWARD WITH THE LABOUR PARTY

**W**HETHER the next half-century is to be an age, not of discord and poverty, but of national revival and abundance, will depend upon the outcome of the next General Election. This election, just midway through the century, will determine whether Britain will build upon the firm foundations laid since 1945; whether the next period of our history is to be one of the finest and noblest in our long story, or whether it will be the sad witness of a nation slipping backward into meanness, stagnation and drabness. If at the next election the people show that Britain believes in Labour, our country can complete its Four-Year Plan by 1952, and stride on from there to new heights.

In 1950, at this turning point in our national history, we of the British Labour Party will celebrate our Golden Jubilee. We shall justly rejoice in our achievements, unmatched by any socialist party in the world. We take pride in the conscientious care with which we framed our election programme for 1945 and in the democratic vigour and efficiency with which the Labour Government has kept trust with the people by carrying that programme through.

The Labour Party exists to serve the people. In this coming year of 1950, a year of great significance both in our national and in our Party history, we will brace ourselves, search our consciences and refresh our faith in the continued service of the people.

We have a solemn task. We have to make a new programme for the coming election which will determine the Government of Britain for the next five years. This is more difficult and complex than the preparation of *Let Us Face the Future*. But let not that frighten us. So long

as we have the courage to face facts, so long as we are honest with ourselves, so long as we guard against selfishness and retain our resolve to keep faith with the people—we shall frame the programme with success and derive inspiration from the high task we are setting ourselves.

The next few years in the story of Britain will be of supreme importance. We have to nurture, develop, tidy up and improve upon the great achievements of the present Parliament. Arising from the legislation already planned, there is much still to be done. But we also have to do new things in the service of the people. Those new things are dealt with in the preceding pages. The useful people of all trades and professions will be encouraged; the parasites and cheapjacks rejected. Genuine private enterprise will be protected against monopoly, whilst those industries which can only be deployed effectively in public hands will be taken over. The national wealth will be fairly distributed, and any needless costs between producer and consumer eliminated. There will be worthwhile jobs at just wages for everybody fit work.

The Labour Party does not seek place and power for its own sake. We seek the victory for great ends, not for our Party, but for our country and the world.

In this document we have approached our task in the British spirit—the effort to find practical solutions of practical problems, but no less to aim at a high and comprehensive purpose. The aim to which we dedicate ourselves is to usher in the finest age in our history—a buoyant age of adventure, progress and initiative, of unity in common purpose and of justified pride in our nation's greatness.



ALL OVER

THE WORLD

IN

BRITAIN



**LABOUR  
BELIEVES  
IN  
BRITAIN**